Lifting Children and Families Out of Poverty Task Force

AUGUST 23, 2018

Today's Agenda

I.   Welcome and Introductions

II.   Recap of July Meeting and Overview of Today's Agenda

III.   Data and Benchmarks – David Grusky, Director, Center on Poverty and Inequality, Stanford

IV.   Framework for Recommendations

V.   Subcommittee Meetings

VI.   Strategies to Reduce Deep Child Poverty and Child Poverty
        Early Childhood Subcommittee, Kim Pattillo-Brownson
        Social Safety Net Subcommittee, Jessica Bartholow
        Coordinated Services Subcommittee, Iris Zuñiga

VIII.   Public Comment

IX.   Wrap Up & Next Steps

Visit the CDSS Website for Meeting Materials:

http://www.cdss.ca.gov/inforesources/CDSS-Programs/Poverty-Task-Force

Data and Benchmarks
David B. Grusky
Director, Center on Poverty and Inequality, Stanford

Framework for Recommendations

❖Description of policy

❖What problem would this policy address?

❖Which segments of the population of children/families in poverty would the policy primarily target?

❖Other dimensions of policy that are relevant (e.g. impact on children/families by race/ethnicity, immigration status, rural/urban, other characteristic/community).

❖Reach: Approximately how many children or families would be eligible/served

❖Is this a new program, or would it expand or leverage existing programs or funding? If a new program, has this policy been proposed before in California?

❖Cite research/evidence that supports this policy.

❖Cost estimate

❖Describe how this policy would ramp up from launch to full implementation.

❖Describe potential options for modifying this policy, if applicable (for example, to reduce costs or to expand reach).

Subcommittee Sessions

Subcommittee	Room
Special Populations	210
Housing/Homelessness	Main Room
Education, Workforce and Training Support Programs	Across the Hall

Early Childhood Subcommittee,
Kim Pattillo-Brownson

Early Childhood Programs

❖Parental Leave Policies

❖Subsidized child care and development services (CalWORKs Child Care, Alternative Payment Programs, State Preschool, Head Start and Early Head Start, etc.)

Early Childhood Recommendations

❖ Parental Leave Policies

❖ Guaranteed access to child care/early learning subsidies for children 0-8 for children in poverty

❖ Expanded access to training, professional development, and coaching to sustain and expand a high-quality workforce and coordinated services

❖ Institute a tiered reimbursement structure for the subsidized child care/early learning system

❖ Integrate and improve the early childhood data systems

Parental Leave Policies

❖**Problem:** Supporting low income families to utilize existing economic supports like PFL to enable appropriate parent-child bonding during unique early window of infancy

❖**Target population:** Low-wage workers with young children

❖**Other dimensions of policy that are relevant:**

❖**Reach: TBD**

❖**New or Expanded:** Expanded

❖**Research/evidence: To be included**

❖**Cost estimate: TBD**

❖**Ramp up/Implementation:**

❖**Options for modifying:** Increase utilization of paid leave, Increase wage replacement to 100% of earnings for low-wage workers, Consider extending the time for job protection/unpaid leave

Guaranteed access to child care/early learning subsidies for children 0-8 for children in poverty

❖**Problem:** Inability of low-income families to afford the cost of child care/securing a quality setting to support their child's learning and development why they work.

❖**Target population:** Children in deep poverty and poverty

❖**Other dimensions of policy that are relevant:** Inclusive of existing funding streams

❖**Reach:** In California, of the estimated 1.5 million children eligible for subsidies in 2015, only 14.7 percent received a subsidy for full-time child care. Disparities: almost 1 million Latino children eligible for subsidies, only 11 percent were enrolled, and only 8 percent of non-Latino Asian children enrolled. This compares with rates of 32 percent of non-Latino black children, and 18 percent of non-Latino white children. May also need to target access in rural communities, access for children with disabilities, and English Language Learners

❖**New or Expanded:** Expanded

❖**Research/evidence:** Included in Memo produced by Mathematica

❖**Cost estimate:** Will include average cost per subsidy

❖**Ramp up/Implementation:** Guaranteed access to subsidies for all children in deep poverty by 2022, for children in poverty by 2026. Identify thresholds and priorities to meet by a certain timeframe 1) infant and toddler access at 60%, 2) 70% for 3 year-olds, 3) 85% for 4-year olds

❖**Options for modifying:** Cmte. emphasized importance of a sustained investment

Expanded access to training, professional development, and coaching to sustain and expand a high-quality workforce and coordinated services

❖**Problem:** Children in poverty are more likely to be in lower quality settings than children from middle-income families when evidence has shown that they benefit the most. Increased access to higher quality programs improves children's school readiness and academic achievement

❖**Target population:** Children in deep poverty and poverty

❖**Other dimensions of policy that are relevant:**

❖**Reach:**

❖**New or Expanded:** Expand Existing Programs (QRIS, CDE funded initiatives, Head Start training, Emergency Child Care Bridge, Community College Apprenticeship programs, Coaching, etc.)

❖**Research/evidence:** See Memo from Mathematica

❖**Cost estimate: TBD**

❖**Ramp up/Implementation:**

❖**Options for modifying:** Consider increasing minimum training standards with commensurate rate increases/compensation

Institute a tiered reimbursement structure for the subsidized child care/early learning system

❖**Problem:** Supports increased access to quality settings

❖**Target population:** Children in deep poverty and poverty

❖**Other dimensions of policy that are relevant:** Tiered reimbursement system should be tied to competencies, educational attainment, PD to incentivize the provision of higher quality services

❖**Reach:** Children in Deep Poverty and Child Poverty

❖**New or Expanded:** New

❖**Research/evidence: TBD**

❖**Cost estimate: TBD**

❖**Ramp up/Implementation:** Current effort to develop a plan to blend the Regional Market Rate and Standard Reimbursement Rate

❖**Options for modifying:**

Integrate and improve the early childhood data systems

❖**Problem:** Ability to track and evaluate the outcomes for children participating in subsidized child care/early learning opps. to support continuous quality improvement and connection to comprehensive services (i.e. developmental screenings, early intervention services, home visiting, etc.)

❖**Target population:** Children in deep poverty and poverty

❖**Other dimensions of policy that are relevant:**

❖**Reach:**

❖**New or Expanded:** Combination

❖**Research/evidence:**

❖**Cost estimate:**

❖**Ramp up/Implementation:**

❖**Options for modifying:**

Social Safety Net Subcommittee, Jessica Bartholow

Social Safety Net

- Medi-Cal
- CalFresh
- CalWORKs
- Social Security, SSI, SSP, SSDI (Disability), SDI, SNAP,
- WIC
- Earned Income Tax Credit
- Other proposals/approaches for income support
- Child Support

Social Safety Net Recommendations

❖ Supplement the Federal Child Tax Credit with a State Child Tax Credit

❖ Expand the CalEITC amount and the CalEITC eligible population

❖ Increase CalWORKs grants and expedite timeline for ending deep poverty within CalWORKs

❖ Align CalWORKs time limits with the federal 60 month time limit

❖ Fund summer lunch in libraries and develop an EBT pilot

❖ Universal school food programs

❖ Increase SNAP benefit amount for families with children 0-5 and pregnant women

❖ Prevent SNAP sanctions for families with children 0-5 and pregnant women

Supplement the Federal Child Tax Credit with a State Child Tax Credit

❖**Problem:** Not all families are eligible for the full amount of the federal child tax credit

❖**Target population:** Children in poverty and deep poverty

❖**Other dimensions of policy that are relevant:** This policy may have a positive effect on the EITC uptake as this would provide an additional incentive to file taxes

❖**Reach:**

❖**New or Expanded:** Expand federal program

❖**Research/evidence:**

❖**Cost estimate:** $3.6 billion annually; if limited to children under six: $1.2 billion; if limited to children under one: $240 million annually

❖**Ramp up/Implementation:**

❖**Options for modifying:** Can be targeted to families with children under a specific age

Expand the CalEITC

❖**Problem:** Income for low-wage workers

❖**Target population:** Children in families with working adults in poverty

❖**Other dimensions of policy that are relevant:**

❖**Reach:**

❖**New or Expanded**

❖**Research/evidence:** The EITC may help reduce family poverty by as much as one-tenth and childhood poverty by as much as one-fourth among families who receive it. Current estimates of the children removed from poverty due to the EITC may be underestimated by up to 50 percent because they fail to account for the induced earnings effect. Once the fact that the EITC nudges single mothers to increase their work activity is taken into account, they estimate that a $1000 increase in the EITC reduces the share of families living in poverty (after tax and transfer) by about 8 percentage points.

❖**Cost estimate:**

❖**Ramp up/Implementation:**

❖**Options for modifying:** The EITC produces the largest income effect for families living around the poverty line and has little effect on the poorest families. However, the CalEITC may help to mitigate some of these limitations by directing more resources toward the poorest families.

Expand the CalEITC Population

❖**Problem:** Income for low-wage workers

❖**Target population:** Children in family's with working adults in poverty

❖**Other dimensions of policy that are relevant:**

❖**Reach:**

❖**New or Expanded**

❖**Research/evidence:** The EITC may help reduce family poverty by as much as one-tenth and childhood poverty by as much as one-fourth among families who receive it. Current estimates of the children removed from poverty due to the EITC may be underestimated by up to 50 percent because they fail to account for the induced earnings effect.

❖**Cost estimate:**

❖**Ramp up/Implementation:**

❖**Options for modifying:** The EITC produces the largest income effect for families living around the poverty line and has little effect on the poorest families. However, the CalEITC may help to mitigate some of these limitations by directing more resources toward the poorest families.

Increase CalWORKs grants and expedite timeline for ending deep poverty within CalWORKs

❖**Problem:** The CalWORKs grant levels are below the threshold for deep child poverty (50% of FPL)

❖**Target population:** Children in deep poverty

❖**Other dimensions of policy that are relevant:**

❖**Reach:** CalWORKs serves approximately 400,000 families and nearly 800,000 children

❖**New or Expanded:** Expanded

❖**Research/evidence:**

❖**Cost estimate:** The cost to increase grant amounts to 100% of FPL (including for families with non-eligible adults) is $900 million annually.

❖**Ramp up/Implementation:** This policy would increase the grant amounts for all CalWORKs families and would move up the three-year timeline to increase grant amounts to 50% of FPL

❖**Options for modifying:**

Align CalWORKs time limits with the federal 60 month limit

❖**Problem:** California imposes a 48 month time limit on CalWORKs assistance, which sometimes leaves families without access to assistance when they need it most because they used up the total time allowed for the program

❖**Target population:** Children in deep poverty

❖**Other dimensions of policy that are relevant:**

❖**Reach:** CalWORKs serves approximately 400,000 families and nearly 800,000 children

❖**New or Expanded:** Expanded

❖**Research/evidence:**

❖**Cost estimate:**

❖**Ramp up/Implementation:**

❖**Options for modifying:**

Increase SNAP benefit amount by $30 per child and pregnant women

❖**Problem:** SNAP benefits often run out before the end of the mouth

❖**Target population:** Children 0-5 and pregnant women in poverty and deep poverty

❖**Other dimensions of policy that are relevant:**

❖**Reach:**

❖**New or Expanded**

❖**Research/evidence:** Research has revealed that SNAP benefits have a profound impact on children's health and well-being throughout their lifespan.

❖**Cost estimate:** $700 million annually

❖**Ramp up/Implementation:**

❖**Options for modifying:**

Prevent SNAP sanctions for families with children 0-5 and pregnant women

❖**Problem:** CalFresh imposes concurrent sanctions when a family receives a WTW sanction

❖**Target population:** Children 0-5 and pregnant women in poverty and deep poverty

❖**Other dimensions of policy that are relevant:**

❖**Reach:**

❖**New or Expanded:** Expanded

❖**Research/evidence:**

❖**Cost estimate:** $6 million annually

❖**Ramp up/Implementation:**

❖**Options for modifying:**

Additional Recs. Under Development

❖Fund summer lunch in libraries and develop an EBT pilot

❖Universal school food programs

Coordinated Services Subcommittee,
Iris Zuñiga

Coordinated Services

❖Two-generation/whole family approaches

❖Home visitation

❖Promise neighborhoods/zones

❖Community school "hubs"

Coordinated Services Recommendations

❖Single Application for Eligibility of Public Assistance/No Wrong Door (Housing, Child Care, CalWORKs, CalFresh, Medi-Cal, EITC, school meals, etc.

❖Expansion of Place-Based Efforts

❖Integrate services of the main state agencies that have most responsibility for the funding

❖Facilitate Data Sharing

Next Steps